



4151-05-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

[Document Identifier: HHS-OS-20584-30D]

Agency Information Collection Activities; Submission to OMB for Review and Approval; Public Comment Request

AGENCY: Office of the Secretary, HHS.

ACTION: Notice.

**SUMMARY:** In compliance with section 3507(a)(1)(D) of the Paperwork Reduction Act of 1995, the Office of the Secretary (OS), Department of Health and Human Services, has submitted an Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB) for review and approval. The ICR is for a new collection. Comments submitted during the first public review of this ICR will be provided to OMB. OMB will accept further comments from the public on this ICR during the review and approval period.

**DATES:** Comments on the ICR must be received on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Submit your comments to [OIRA\\_submission@omb.eop.gov](mailto:OIRA_submission@omb.eop.gov) or via facsimile to (202) 395-5806.

**FOR FURTHER INFORMATION CONTACT:** Information Collection Clearance staff, [Information.CollectionClearance@hhs.gov](mailto:Information.CollectionClearance@hhs.gov) or (202) 690-6162.

**SUPPLEMENTARY INFORMATION:** When submitting comments or requesting information, please include the Information Collection Request Title and document

identifier HHS-OS-20584-30D for reference.

Information Collection Request Title: Survey on Long-Term Care Awareness and Planning

Abstract: With the aging of the population, the demand and need for long-term care is certain to grow, and with it public and private expenditures. Unlike for medical care, few people have private long-term care insurance and Medicare does not cover long-term care. Many older adults pay for long-term care out of their income and personal savings until they are poor enough to qualify for Medicaid, a means-tested welfare program (Wiener et al., 2013). Others, in an effort to avoid exhausting their resources and relying on Medicaid, depend on unpaid family support or go without needed services. To help inform federal policy on long-term care financing and service delivery, this study, sponsored by HHS/ASPE, will collect new data on long-term care awareness and how people plan for retirement through a web-based survey. The main goals of the survey are (1) to understand consumer attitudes, knowledge, and experiences with long-term care, how people plan for the risk of needing long-term care, and people's preferences among public policies on long-term care financing; and (2) to examine consumer preferences for specific features of individual long-term care insurance policies (e.g., benefit levels, length of coverage, and sponsorship). The findings from the survey will be used to inform federal policy regarding public and private long-term care financing. The first part of the survey addresses the first set of goals, while a stated preference survey method, known as a discrete choice experiment (DCE) or conjoint analysis, in the second part of the survey addresses the second set of goals. RTI has designed and cognitively tested the survey instrument and will conduct the analysis; GfK will administer the survey.

The survey instrument was developed by RTI in close cooperation with ASPE and in consultation with a TEP and other experts on long-term care and long-term care insurance, and underwent two distinct rounds of cognitive testing of nine participants each. The survey has two components. The first asks questions on (1) the risk of needing long-term care; (2) psychological characteristics, knowledge, skills, and experience; (3)

beliefs and concerns about long-term care; (4) retirement and long-term care planning; (5) information gathering and decision making about insurance; and (6) core demographic and socioeconomic information. The second component of the survey is a DCE, which seeks to understand respondents' preferences about specific long-term care insurance features. In the DCE, respondents will complete a series of comparison questions in which they select their most preferred choice between two alternative insurance products. Some scenarios will also offer respondents a third option to not buy either of the insurance policies; other scenarios will "require" respondents to choose between two policies. Both types of hypothetical comparisons provide quantitative data on the relative preferences and importance of different insurance features, including price. Potentially sensitive questions concerning disability status, medical conditions, and income and assets have been extensively vetted with ASPE, the TEP, other experts, and the participants in the cognitive testing.

**Need and Proposed Use of the Information:** Several issues make this data collection effort necessary. In 2011, the United States spent \$211 billion on long-term care, approximately 8 percent of total national health expenditures, of which two-thirds was public spending, primarily Medicaid (Centers for Medicare & Medicaid Services [CMS], 2012; O'Shaughnessy, 2013). Total long-term care spending is about 1.4 percent of the gross domestic product; public spending is about 1 percent of the gross domestic product (Author's calculation based on CMS, 2012). The number of aging and disabled individuals in the population is expected to continue to grow and, with it, the need for additional public financing. The Organization for Economic Co-operation and Development (2006) estimates that public long-term care expenditures for older people in the United States will double to triple as a percentage of the gross domestic product between 2005 and 2050. As a result, the government has an increased need for information on the general public's knowledge about long-term care and how people plan to organize and pay for their possible long-term care needs. HHS/ASPE is particularly interested in the views of the public on different potential public policies on long-term care financing and in what design features of long-term care insurance are most

important.

Once the data are received, RTI will analyze them. The first set of analyses will address domains in the first part of the survey and will include descriptive and multivariate analyses of the extent to which respondents plan for long-term care and their preferences among public policies for long-term care financing. In addition to sociodemographic variables such as financial literacy, the extent to which respondents are “planners” or “nonplanners,” the experience of respondents with long-term care, and risk tolerance will be important indicator variables. Descriptive analyses will be conducted to describe the overall sample along a number of relevant dimensions (e.g., assessment of risk of needing long-term care). The analysis will also characterize the sample by key indicator variables, to analyze the role of long-term care planning within the context of overall retirement planning, and to understand long-term care use and payment and policy preferences. Multivariate analyses will also be conducted, primarily of planning activity for long-term care and preferences for public policies for long-term care financing.

The second set of analyses will address the DCEs that respondents conducted to evaluate various features of long-term care insurance policies. DCEs are a form of conjoint analysis, an econometric method used to estimate the relative importance that respondents place on the different features of an individual product (e.g., for long-term care insurance, such features as length of coverage, benefit period, benefit amount, whether there is medical underwriting, and sponsorship). These data will be analyzed using standard discrete choice econometric techniques in which the parameter estimates in the choice models indicate the relative importance to respondents of different features of long-term care insurance. Thus, the ratio of two parameters indicates the marginal rate of substitution between them (i.e., the rate at which respondents changed their selections when attribute levels were varied).

**Likely Respondents:** Survey invitations will be sent by the data collection partner, GfK, to a random sample of U.S. adults aged 40–70 participating in its standing Internet panel, KnowledgePanel. Adults who read the survey invitation and desire to participate will be redirected to a secure, password-protected website hosted by GfK which contains the

next two forms. GfK will send 23,077 invitations to participate to members of the sample, yielding an estimated 15,000 completed questionnaires based on an estimated overall response rate of 65 percent.

Burden Statement: The response burden estimates for this data collection are shown in *Exhibit A.12-1*. An IRB-approved consent form must be acknowledged by respondents before they are allowed to begin the survey. Respondents will be asked to read basic information about the research study, the study purpose, procedures, duration of the survey, possible risks or discomforts from the survey, benefits of participating, incentive for participation, privacy protections, individuals' rights, and whom to contact with questions. Respondents will then be required to click a box indicating that they have read the information, confirm that they are between the ages of 40 and 70, and that they voluntarily consent to participate in the study or decline to participate. Only those who consent and certify that they meet the age qualifications will continue to the full survey instrument. Estimates for the time needed to complete the survey are based on cognitive testing of the questionnaire conducted during Fall 2012 in Durham, North Carolina, and Washington, DC. As part of the cognitive testing, the length of time to complete the questionnaire was measured. The cognitive testing suggests that the questionnaire requires approximately 45 minutes to complete. The initial series of questions take approximately 25 minutes to complete and the DCE section takes approximately 15–20 minutes to complete. Each respondent will answer the questionnaire only once and there are no planned follow-up surveys. Respondents will have the ability to pause the survey and restart it at a later time at their convenience.

**Total Estimated Annualized Burden – Hours**

<b>Task</b>	<b>Number of respondents</b>	<b>Burden per response (hours)</b>	<b>Estimated Total Hours of Burden</b>
Self-administered, Web-based	15,000	0.75	11,250

questionnaire			
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Source: RTI International estimates.

Darius Taylor

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